

# **CITY OF HIALEAH EMPLOYEES' RETIREMENT SYSTEM**

## **Board Chairman**

**Robert W. Williams III**

## **Board Vice Chairman**

**Robert W. Williams**

## **Board Secretary**

**Jonathan A. Martinez**

## **Board Attorney**

**Stephen H. Cypen**



## **Board Members**

**Javier Collazo**

**Osvaldo Estrada**

**Manuel Ferrera**

**Julia A. Hidalgo**

## **SUMMARY OF REGULARLY SCHEDULED MEETING OF THE BOARD OF TRUSTEES AUGUST 18, 2015 1:34 P.M. CITY OF HIALEAH COUNCIL CHAMBERS**

**Robert W. Williams III, Chairman**

**Robert W. Williams, Vice Chairman**

**Jonathan A. Martinez, Secretary**

**Javier Collazo**

**Manuel R. Ferrera**

**Julia Hidalgo**

**Osvaldo Estrada**

**Stephen H. Cypen, Board Attorney**

**Grisell Aedo, Clerk of the Board**

**Priscilla Lopez-Perez, Assistant Clerk of the Board**

**Present**

**Present**

**Absent**

**Absent**

**Absent**

**Present**

**Present**

**Present**

**Present**

**Present**

**Moment of Silence – Led by Mr. R. Williams III**

**Withdrawals, Deferrals or Additions**

Retirement Board Summary Agenda  
August 18, 2015

Item 1

Reports to the Board:

- A) Diamond Hill
- B) Fisher Investments
- C) Franklin Templeton
- D) RhumbLine
- E) GAMCO
- F) Templeton Investment Council
- G) CapTrust
- H) Cash flow report for the month ending June 30, 2015 & July 31, 2015

Item 2

Application for Normal Retirement, pursuant to Section 70-238, cases of:

- A) Dale A. Barrett (Solid Waste)
- B) Lazaro Guerra (Public Safety Communication)
- C) Odalis Frometa (Parks & Recreation)
- D) Ramon Lopez (Fleet Maintenance)
- E) Toni Morales (Public Safety Communication)

**MOTION by Ms. Hidalgo, seconded by Mr. Estrada, as follows:**

**"To approve Normal Retirement of Item 2A, Dale Barrett (Solid Waste), 2B, Lazaro Guerra (Public Safety Communication), 2C, Odalis Frometa (Parks & Recreation), 2D, Ramon Lopez (Fleet Maintenance), 3E, Toni Morales (Public Safety Communication)."**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

**\* DROP Participant**

Item 3

Application for Deferred Retirement, pursuant to Section 70-239, cases of:

- A) Jose A. Fidalgo (Information Technology)
- B) Norberto Masso (Fire)

**MOTION by Ms. Hidalgo, seconded by Mr. Estrada, as follows:**

**"To approve Item 3A, Deferred Retirement of Jose A. Fidalgo (Information Technology), 3B, Norberto Masso (Fire)."**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

Item 4

Discussion of Senate Bill 172 and Section 112.63 and 112.664 Florida Statutes.  
(S. Cypen)

**No Motion Necessary**

Mr. Cypen stated a couple of months ago he mentioned a new relationship with a law firm. He would discuss what the relationship will entail. Mr. Cypen will be the senior Council. Mr. Cypen introduced Stuart A. Kaufman from Klausner, Kaufman, Jensen & Levinson.

Mr. Kaufman stated he has been representing pension funds for over 20 years, his office is located in plantation, Florida. Mr. Kaufman stated both Law Firms have reached an agreement going forward which would mean the Board will not be charged for any extra fees. They have agreed if any charges do occur the bill would be charged through Mr. Cypen.

Mr. Kaufman stated he would like to discuss regarding Senate Bill 172 signed and passed by the legislature, signed by the Governor about two months ago. There are two things the Board needs to be concerned about but really one the Board does not need to be concerned about its provisions in the law required municipalities and pension funds was determined how the premium tax should be spent those premium tax went over and beyond the amount in the calendar year 2012 any increase in the 175 and 185 fund since calendar year 2012 which provides municipalities and pension plans to reach mutual agreements on how those money Should be spent and if failure to reach an agreement then the default provision would be the 50% would go to the City to offset the unfunded liability of the Plan and other 50% would be put in a share plan. However there is an important provision that if your share plan was in existence prior to year 2000 you were grandfathered into the law and things would remain as they are that all monies would continue to be sent to the 175 share plan and the 185 share plan. Mr. Kaufman stated we do not need to be concerned with that. The Police was put into place 1954 and Fire 1960.

Mr. Kaufman stated the Board will need done by October 1, 2015 an administrative expense budget and will need to be presented to the Plan Sponsor and needs to be available to Plan members. Mr. Kaufman recommended if the Plan administrator has not done so a budget will be need to be done and presented to the Board including all administrative expenses, Investment fees Attorney fees, Actuaries and will need to be available by October 1, 2015. If we don't have it available by October 1, 2015 they could take position that next year they will withhold all the monies. If sent by October 1, 2015 the plan will be okay. Mr. Kaufman stated he would like the budget ready before October 1, 2015. If the plan goes over its budget the plan must be amended the Budget and it available to the Plan Sponsor.

Retirement Board Summary Agenda  
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Mr. Kaufman wanted to inform the Board of a new law taken into effect House Bill 1309 has do with Mortality table and will take effect January, 2016. The Law provides that for any valuation after January, 2016 which will be our next valuation we must use the FRS mortality table. Since the plan has General members it should not significantly be different than what we are currently using

Item 5

Discussion of Fisher Investment potential effects of the Russell Midcap Value Index Reconstitution on Hialeah's portfolio.

**No Motion Necessary**

Item 6

Discussion and possible changes to payroll growth assumptions as recommended by Foster & Foster.

**MOTION by Mr. R. Williams, seconded by Ms. Hidalgo, as follows:**

**"To approve payroll growth assumption zero as recommended by Foster & Foster."**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

Item 7

Discussion and possible approval to update the Summary Plan Description with a fee of \$1,000.00 from Foster & Foster.

**MOTION by Ms. Hidalgo, seconded by Mr. R. Williams, as follows:**

**"To approve to update the Summary Plan Description with a fee of \$1,000.00 from Foster & Foster."**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

Item 8

Request to pay invoice from Holland & Knight in the total amount of \$910.00 for services rendered through May, 2015.

**MOTION by Mr. R. Williams, seconded by Ms. Hidalgo, as follows:**

**"To approve to pay Holland & Knight in the total amount of \$910.00 for services rendered through May, 2015."**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

Item 9

Request to pay invoice from Foster & Foster Actuaries & Consultants in the total amount of \$10,800.00 for services rendered.

**MOTION by Mr. Estrada, seconded by Mr. R. Williams, as follows:**

**"To approve to pay Foster & Foster Actuaries & Consultants in the total amount of \$10,800.00 for services rendered."**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

Item 10

Discussion and possible approval of Board Members or staff wishing to attend 2015 Public Funds Forum from September 8 – 10, 2015.

**MOTION by Mr. R. Williams, seconded by Ms. Hidalgo, as follows:**

**"To approve any Board Members or staff wishing to attend the 2015 Public Funds Forum from September 8 – 10, 2015"**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

Retirement Board Summary Agenda  
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Item 11

Discussion and possible approval of Board Members or staff wishing to attend Fall Trustee School from October 4 - 7, 2015.

**MOTION by Mr. R. Williams, seconded by Ms. Hidalgo, as follows:**

**"To approve any Board Members or staff wishing to attend the Fall Trustee School from October 4 – 7, 2015"**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

Item 12

Discussion and possible approval of Board Members or staff wishing to attend NCPERS Public Safety Employees Pension & Benefits Conference from October 25 - 28, 2015.

**MOTION by Mr. R. Williams, seconded by Ms. Hidalgo, as follows:**

**"To approve any Board Members or staff wishing to attend NCPERS Public Safety Employees Pension & Benefits Conference from October 25 – 28, 2015"**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

Item 13

Approval of the following Retirement Board Minutes:

A) June 16, 2015

**MOTION by Mr. Estrada, seconded by Ms. Hidalgo, as follows:**

**"To approve Retirement Board minutes of June 16, 2015."**

**MOTION carried a 4-0-3 vote with Estrada, Hidalgo, B.Williams and R. Williams voting "Yes" Collazo, Ferrera and Martinez absent**

Retirement Board Summary Agenda  
August 18, 2015

Item 14

Schedule the next regular Retirement Board meeting for Tuesday September 15, 2015 at 1:30 P.M., Council Chambers, 3<sup>rd</sup> Floor.

**Next Retirement Board meeting scheduled for Tuesday, September 15, 2015 at 1:30 P.M., Council Chambers, 3<sup>rd</sup> Floor.**

New Business:

Input from Active and Retired Members:

Persons wishing to appeal any decision made by the Board with respect to any matter considered at this meeting will need a record of the proceedings, and, for such purposes, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act of 1990, persons needing special accommodation to participate in this proceeding should contact the Office of the City Clerk at (305) 883-5820 for assistance no later than seven (7) days prior to the proceeding; if hearing impaired, telephone the Florida Relay Service at (800) 955-8771 (TDD), (877) 955-8773 (Spanish) or (800) 955-8770 (Voice).

This meeting may be conducted by means of, or in conjunction with, communications media technology, specifically a telephone conference call. The above location, which is open to the public, shall serve as an access point. Persons wishing to attend should appear at the access point, where access to the meeting will be provided.